CPUC Workshop on the Proposed Transfer of Control of Sprint Communications Company L.P. to T-Mobile USA (A.18-07-011 & 012)

December 10, 2018 1:00 – 4:00 PM California Public Utilities Commission Auditorium 505 Van Ness Ave., San Francisco 94102

Purpose: At this technical workshop, the Commission solicits expertise from academia and community stakeholders about potential positive and negative impacts of the proposed merger of T-Mobile and Sprint in California. Please refer to the second page for the list of questions for each panel.

WebEx: www.adminmonitor.com/ca/cpuc

Meeting Number: 1-877-820-7831, or 1-720-279-0026

Meeting Passcode: 312298

Agenda

| 1:00 – 1:10 | Introduction to workshop (10 min) Robert Osborn, Senior Analyst, Communications Division, CPUC |
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| 1:10 – 1:20 | Opening Remarks by Commissioners Rechtschaffen and Guzman Aceves (10 min) |
| 1:20 – 1:50 | Public Comment (30 min) |
| 1:50 – 2:35 | Panel Discussion: Merger's Effects On Competition (45 min) Moderator: Helen Mickiewicz, Assistant General Counsel, CPUC |

Panelists:

- Dr. Roger Noll, Professor Emeritus of Economics, Stanford University
- Dr. Michael Katz, Professor Emeritus, Haas School of Business and Department of Economics, UC Berkeley (retained to perform an economic study of the merger by T-Mobile)
- 2:35 2:50 Q & A (15 min)
- 2:50 3:35 Panel Discussion: Merger's Effects On Low Income/California LifeLine (45 min)

 Moderator: Jonathan Lakritz, Program Manager, Communications Division, CPUC

Panelists:

- Catherine Sandoval, Associate Professor, Santa Clara University School of Law, and Former Commissioner, California Public Utilities Commission
- Maria Echaveste, Senior Fellow at the Opportunity Institute and Senior Fellow at the UC Berkeley Center for Latin American Studies
- Jessica Gonzalez, Deputy Director & Senior Counsel, Free Press

3:35 – 3:50 Q & A (15 min)

Questions for Competition Panel

- 1. To evaluate the proposed merger's effect on competition in the marketplace with regard to consumer choice, pricing, and plans, which of the following is most appropriate for the definition of "marketplace" and why?
 - a. Regional markets within California (e.g. Los Angeles, San Diego, San Francisco Bay Area, San Jose, Sacramento), or
 - b. Market segment, such as prepaid and postpaid?
- 2. Mobile service providers offer nationwide pricing plans with little regional disparity in monthly recurring charges between rural and non-rural markets. What effect do decisions at the national level have on competition within California?
- 3. What do you see as the potential benefits and potential negative consequences of the proposed merger? Would the proposed merger's benefits outweigh any possible negative consequences, and if so, in what way?
- 4. What conditions or mitigation measures would be appropriate to address the potential negative effects stemming from the proposed merger? [this gets to Question 15 in the scoping ruling]
- 5. (OPTIONAL, TIME ALLOWING): What are potential effects of the merger on levels of service quality?

Questions for Low Income/LifeLine Panel

- 1. How would the merger affect low-income individuals, including those participating in the California LifeLine Program?
- 2. In a 2017 study by Center for Emerging Technology and the Field Poll, some demographic groups including native Spanish speakers, African American and Asian American households had significantly greater reliance on mobile broadband as their sole means of accessing the internet. Would the combined entity have enough incentive (absent conditions attached to approval) to maintain or improve low cost options for internet access?
- 3. What conditions or mitigation measures would be appropriate to address the potential negative effects to low-income individuals and/or LifeLine participants stemming from the merger?
- 4. (OPTIONAL, TIME ALLOWING): The Federal Communications Commission Chairman would like to shift focus on the Federal Lifeline program from discounts on voice service to funding broadband infrastructure in underserved and unserved areas. How do you think this merger would impact the FCC's goal?